



The President's Daily Brief

May 8, 1975

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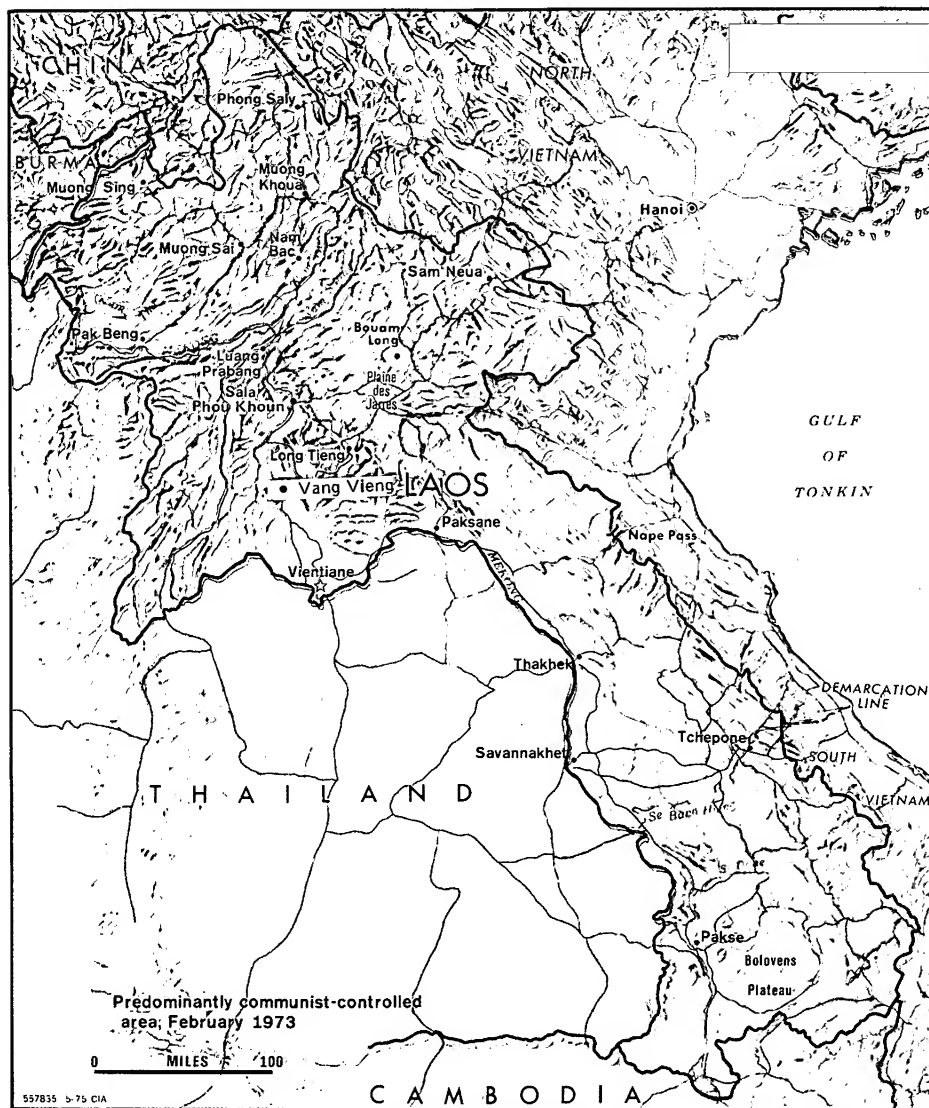
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LAOS

Prime Minister Souvanna Phouma is attempting to defuse the military, political, and economic crises that are threatening to topple Laos' 13-month-old coalition government.

In a special meeting yesterday of the entire coalition cabinet, Souvanna appealed to Pathet Lao Deputy Prime Minister Phoumi Vongvichit to cooperate with him in issuing a joint communiqué calling for an end to the three-week-old fighting in the Sala Phou Khoun area of northern Laos. Under the terms of the communiqué, both sides would hold their present positions until a peace-keeping team from the coalition's Joint Central Commission arrived in the area to mediate the conflict.

Phoumi agreed to sign the communiqué, but he indicated that he would have to ask communist headquarters in Sam Neua to issue formal orders for a military standdown by Pathet Lao units in the field.

The Pathet Lao are firmly in control of the strategic Sala Phou Khoun road junction, and yesterday encountered virtually no opposition in occupying the town of Muong Kassv, some 20 miles to the south.

[redacted] communist troops have pushed farther south along Route 13 and have attacked Vang Vieng. In contrast to his earlier instructions, Souvanna [redacted] ordered the non-communist forces to make a stand at the town and has sent reinforcements.

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Phoumi also agreed to Souvanna's request that joint communiqués be issued proscribing any further political demonstrations anywhere in the country and calling for an end to the civil unrest over economic issues in the city of Pakse in southern Laos.

The conciliatory approach taken by Phoumi at the cabinet meeting is not a guarantee that higher level Pathet Lao authorities will be willing to go along with the agreements he has made with Souvanna. Nor have the sagging spirits of the non-communists been buoyed by Phoumi's apparent reasonableness.

[redacted] the mood of non-communist ministers following the meeting as one of depression, defeatism, and hopelessness. Conservatives in the non-communist leadership

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continue to assess the political situation as moving irreversibly toward complete Pathet Lao control of the government. [redacted] Defense Minister Sisouk na Champassak, Finance Minister Ngon Sananikone, and other prominent conservatives are planning to resign from the coalition and leave Laos.

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Nor has Souvanna given the rightists, who he believes are largely to blame for the deteriorating situation, any cause for encouragement. He recently castigated them for not following his orders to avoid antagonizing the Pathet Lao. Souvanna singled out Sisouk for especially severe criticism, charging that the defense minister's failure to control the actions of Royal Lao Army generals Vang Pao and Thonglith actually sparked the fighting in northern Laos.

Souvanna has ordered Sisouk to relieve both generals from their respective commands in the north and, additionally, to "retire" Lao army strongman General Kouprasith Abhay and other senior rightist officers.

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VIETNAM

A major speech yesterday by General Tran Van Tra at public ceremonies in Saigon failed to provide any specific information about the composition or form of the new Saigon government. No well-known communist official other than Tra appeared at the ceremonies.

Tra commanded communist military forces in the south and is believed largely responsible for orchestrating the recent offensive. He spoke as chairman of the "Saigon - Gia Dinh Military Committee," but he indicated that he was speaking for the Provisional Revolutionary Government (PRG) when he congratulated the "people" for their recent victory.

The members of Tra's committee are all from the communists' southern military command structure and are little known to the non-communist South Vietnamese. Although it has been a week since the liberation of Saigon, there have been no public statements by any of the other leaders of the various communist political and military front organizations. Hanoi, moreover, has yet to publish in its official media anything more than congratulatory remarks on the recent victory. The Vietnamese may be withholding important announcements until the celebration of Ho Chi Minh's birthday on May 19.

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The communists' intention to establish a nominally separate government in the south indicates that Hanoi is content to move with deliberation toward formal reunification. North Vietnam may

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intend to continue using the international standing of the PRG to establish the legitimacy of the communists' southern regime. Once this is accomplished, Hanoi might then be willing to stage a plebiscite or use some other device to legitimize reunification. This would allow Hanoi to claim that reunification has been sought and accepted by the southerners and is not merely the consequence of conquest.

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NORTH VIETNAM - THAILAND

North Vietnam has offered to explore the question of establishing diplomatic relations with Thailand, with discussions to begin in Bangkok as early as May 11.

Hanoi's ambassador in Vientiane, who made the offer, at the same time pressed Bangkok's envoy for the return of South Vietnamese aircraft to the new government in Saigon. He stressed that the return of the aircraft would assist in promoting improved relations between Bangkok and the new government in Saigon.

The speed of Hanoi's response to friendly overtures from Bangkok will almost certainly come as a surprise to the Thai, who have been pessimistic in recent months over prospects for any early rapprochement with Hanoi. Earlier this week the Thai cabinet gave Foreign Minister Chatchai Chunhawan a green light to normalize relations with Hanoi at such time as he deems appropriate [redacted]

[redacted] The cabinet decision was apparently made prior to Hanoi's approach.

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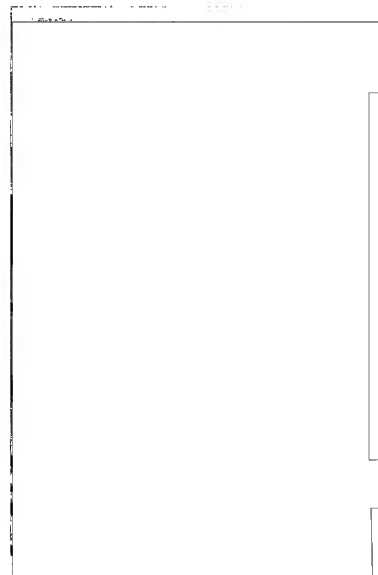
The timing of Hanoi's approach is probably intended in part to take advantage of Bangkok's predicament over the disposition of the remaining South Vietnamese aircraft. Some Thai officials want to respond positively in the hope of establishing diplomatic relations soon. Others, principally in the military, are disturbed by the prospect of providing North Vietnam weapons that could someday be used against Thailand. [redacted] army commander Krit Sivara will attempt to block any precipitous move by the government to return the aircraft, particularly helicopters, to the Vietnamese communists.

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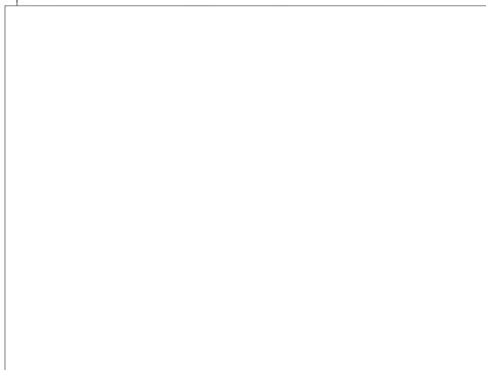
Prime Minister Khukrit's government is also concerned, in the face of US claims of ownership, that returning the aircraft to the communists could seriously damage US-Thai relations. The Foreign Ministry may try to stall for time by bringing up with Hanoi such long-standing issues as the repatriation of some 50,000 Vietnamese refugees who have lived in Thailand for the past 30 years. In the end, however, Khukrit may make a token effort to accommodate Hanoi's wishes by agreeing to turn over at least some of the South Vietnamese aircraft that have not been removed from Thailand.

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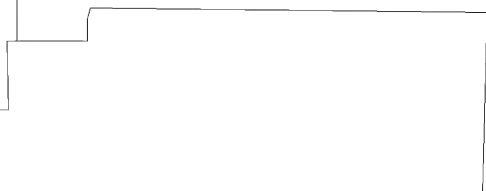
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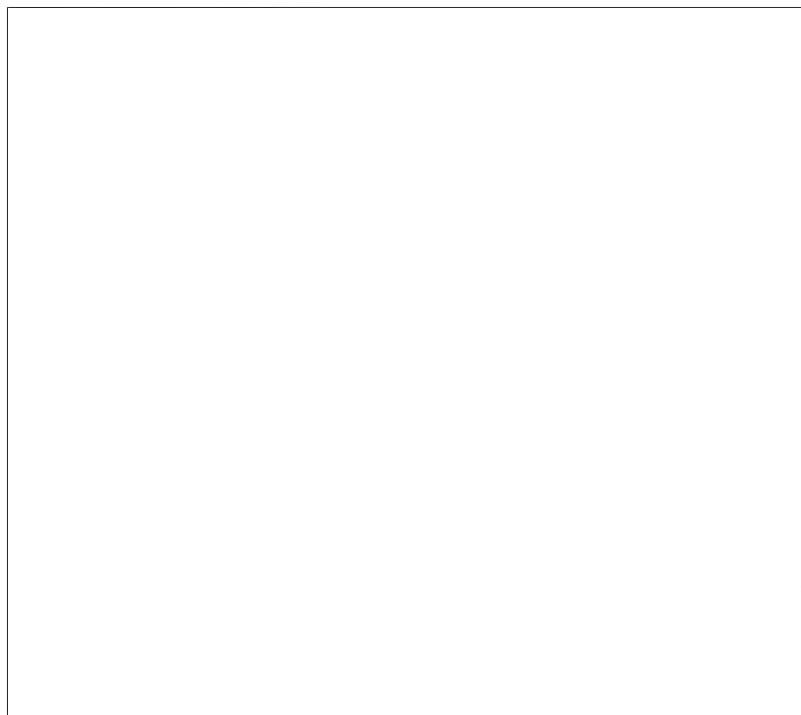
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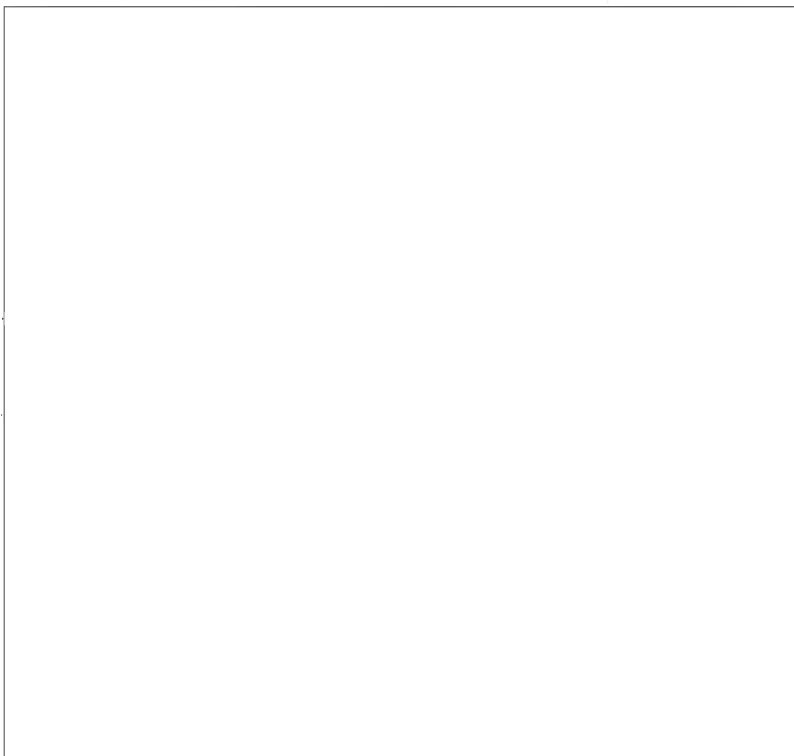


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SOMALIA - SAUDI ARABIA

US officials have learned that Saudi Crown Prince Fahd upbraided Somali President Siad, during the latter's visit to Riyadh, about "the bases and facilities" Somalia has made available to Moscow. Siad is reported to have repeatedly denied the existence of Soviet facilities and to have invited Fahd to send a delegation to make an inspection. Fahd said he intends to take the Somali leader up on the offer. Fahd offered financial aid to the Somalis, but indicated that it will not be forthcoming until Riyadh is convinced that it will not be used for purposes contrary to Saudi interests.

The joint communiqué that concluded the visit, which took place from May 3 to 5, reflects the pressure the Saudis exerted on the Somali President. The two governments described the Red Sea and Gulf of Aden as an "Arab lake," the defense of which is the duty of the "Arab nation alone." The communiqué added that the region should be "devoid of foreign forces." The Somalis will claim, of course, that this points a finger not at the Soviet Union but at continued French rule in the French Territory of the Afars and Issas--formerly French Somaliland.

Siad agreed that both sides would preserve spiritual values, and that all government actions should be in line with the dictates of Islamic law. The Saudis have not liked Siad's frequent references to "scientific socialism" as the basis of Somali policy and have regarded some of his actions in recent months as inimical to Islamic principles.

The Saudis, for their part, went along with Mogadiscio's position about the need for the unity of all Somalis. This refers to the long-standing claim by Mogadiscio to territory in Ethiopia, Kenya, and the French colonial territory inhabited by ethnic Somalis.

Siad's primary purpose in making the trip was to overcome Riyadh's opposition to the Arab League summit meeting scheduled for late June in Mogadiscio. It is doubtful that he succeeded. The Somali President went to Baghdad on May 6 and was in Damascus yesterday.

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OAS

A long list of grievances against the US is sure to be aired at the OAS General Assembly opening today in Washington. Yesterday, the Peruvian embassy brought together a number of Latin American foreign ministers for preparatory talks aimed at keeping alive the consensus strategy that has recently pitted the Latin Americans against the US in international forums.

During the first few days of the assembly, the foreign ministers will be free to raise topics of their own choice. Panama, for example, has gone to great effort to engineer a Latin American statement of support on the canal issue. Some countries will probably want to hammer again at the question of sanctions against Cuba.

The actual agenda is burdened with complex issues, several of them relating to the theme of a new international economic order. Other topics that may require prolonged and possibly heated debate include the US Trade Reform Act, the effects of high oil prices, the concept of collective economic security, and the election of a new secretary general.

Whether the conference bogs down in the heavy schedule or focuses on the major issues will depend on the effectiveness of those delegations which want the OAS to become a working entity. The small countries in particular value the OAS highly for the security protection, humanitarian functions, and development programs it offers.

The more important nations have varying opinions about its utility.

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With the breakdown of the hemispheric dialogue, a number of nations see the OAS as the only enduring pan-American forum available and would be reluctant to see it collapse.

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A new sense of self-esteem and solidarity among Latin American governments is enhanced by the loss of US stature in their eyes, partly over events in Southeast Asia and partly over the US failure to follow through on the "new dialogue." An ambivalence still obtains, however, because many governments still prefer to see a strong US, clearly benevolent toward Latin America.

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Burmese President Ne Win appears generally unshaken by recent events in Indochina and optimistic about his country's internal situation and his own political strength.

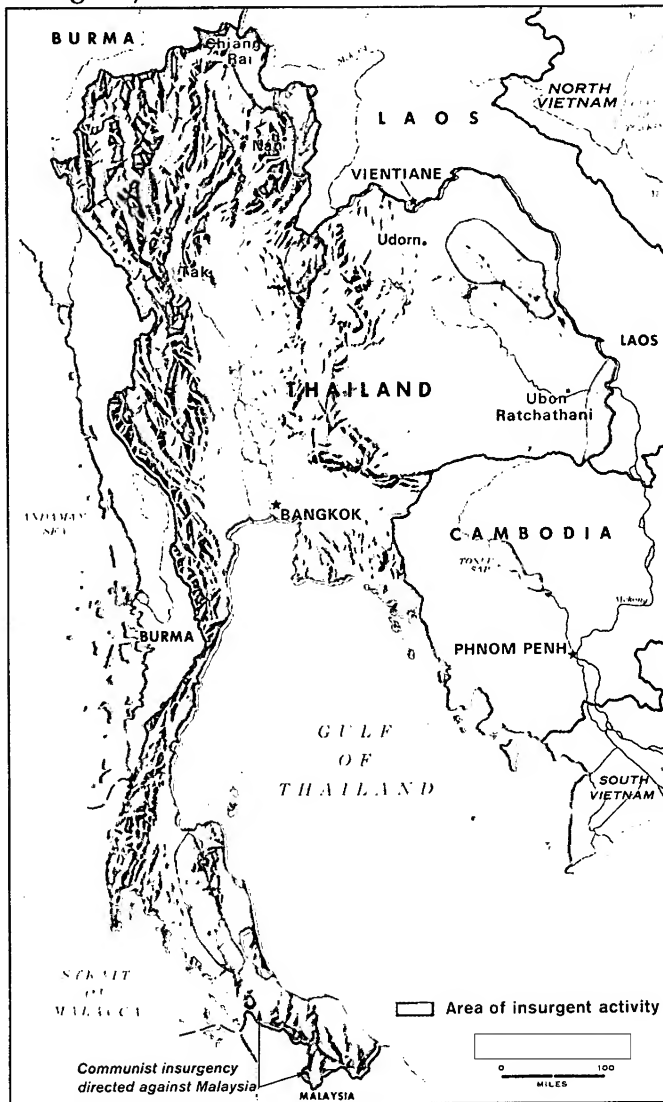
[REDACTED] Ne

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Win expressed confidence that his army can deal successfully with Burma's numerous insurgent groups and that the country's chronic economic problems can be overcome. Ne Win's buoyant mood probably stems in part from growing confidence that Burmese military operations in the northeast will not prompt a reaction from Peking. Government forces have made recent gains against the communists both in the northeast and in central Burma. The army probably can make further inroads on communist territory, but it does not have the capability to wipe out the insurgents.

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Insurgency in Thailand



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ASSESSMENT OF INSURGENCY IN THAILAND

An immediate Thai reaction to communist victories in Cambodia and Vietnam has been apprehension that North Vietnam will increase its support of the Thai communist insurgents. Actually such a prospect seems unlikely any time soon. The insurgency, despite ten years of growth, is still relatively small and limited largely to the periphery of Thailand and its society.

The Thai communist movement has expanded during the past decade from a handful of individuals to some 8,000 insurgents scattered principally in three areas of the country--the northeast, the north, and the far south.

In the northeast the insurgency has achieved a higher level of political organization than elsewhere in Thailand. Some 3,000 insurgents have begun to erode Bangkok's political control in remote villages near the Lao border. Their numbers have increased only gradually, but their military capabilities have improved significantly as a result of better leadership and training and the introduction of modern arms from North Vietnam and China.

The communists in the northeast are supported locally more out of fear of retribution than because of popular hostility toward the government in Bangkok. Although the communist political base is vulnerable to government civic action programs, Bangkok has not made an effort to develop a permanent presence in these remote villages.

In the north the communists have a strong military situation but a weak political base among the local hill tribes. The basic strength of the insurgency in the north rests on natural geographic advantages. The government in effect concedes control of mountain strongholds to the communists and concentrates on preventing insurgent expansion into the lowlands. Because the main obstacle to insurgent influence among the ethnic Thai living in the lowlands is their prejudice against the hill tribes, the communists are reported to be shifting some of their ethnic Thai leaders from the northeast to the north in an effort to increase their appeal among the lowlanders.

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In the south the insurgent movement is isolated from the main area of communist interest in the north and northeast, and the insurgents have neither capable leadership, money, nor a reliable supply of armaments. Although numbering over a thousand, they pose no more of a threat to the government than do the numerous bandits and Muslim separatists who operate a little farther to the south along the Kra Peninsula.

The View from Bangkok

The government's desire for rapprochement with Hanoi and Peking is certain to influence its attitude toward the insurgency. Important elements in the Foreign Ministry and the military, believing that the insurgency is principally a product of Thailand's identification with US policies in Indochina, have long tended to play down the reality of the threat. This view, almost certainly shared by Foreign Minister Chatchai Chunhawan, holds that Hanoi and Peking have supported the insurgency largely in retaliation for Bangkok's allowing US aircraft to be based in Thailand. In addition, many influential persons outside the government simply believe that the insurgency was deliberately exaggerated by the former military regime in order to justify martial law and large military budgets.

It is therefore unlikely that Prime Minister Khukrit's government will place a higher priority on counterinsurgency programs than did its predecessors. Indeed, student charges that the government committed atrocities against the civilian population during counterinsurgency operations in 1972 have led officials to ease up on military responses. Sensitive to what is still a live political issue, army planners are recommending greater emphasis on civic action.

The unwieldy nature of the Khukrit coalition may make it difficult to reach a consensus on government strategy for dealing with the insurgency. For the moment at least, it would appear that the path of least resistance for Thai politicians will be to look to diplomacy to ameliorate the problem.

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External Support

External support unquestionably has played an important role in advancing the insurgent movement to its present status, and will be vital to its future growth. Improved tactics and firepower in recent years are a direct reflection of Chinese and North Vietnamese training programs and arms shipments. While there is insufficient evidence to estimate the current magnitude of external assistance, the insurgents in the north and northeast appear to be adequately supplied.

Political Appeal

The most important factor in the longer term growth of the insurgent movement, however, is not its arms supply but the extent of its political appeal. There is no issue in Thailand today that would prompt large numbers of Thai to take up arms against their government.

--The communists have been undercut on two issues that have long dominated their propaganda: the US military presence and Thai military rule. An elected government now holds office in Bangkok, and the US presence is dwindling.

--The economy is strong and growing.

--The new government is proving more responsive than its predecessors to the needs of the rural population; recently, it prodded the National Assembly to pass a bill that will pump millions of dollars into local development projects.

--Bangkok is also working on a land reform bill that should open up new land to displaced farmers.

Another factor that seriously limits the insurgents' political appeal is their open identification with Peking. Mao badges and "little red books" have become de rigueur within the insurgent groups, and members make no secret of the fact that they receive training in North Vietnam, China, or Laos. It is common knowledge among educated Thai that the Thai communist radiobroadcasts emanate from Kunming, China.

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The Thai communist leadership's embrace of Maoist revolutionary strategy and the tone of recent propaganda broadcasts seem to rule out for the foreseeable future any shift in strategy from armed insurgency to "united front" political tactics in the cities. Indeed, recent communist victories in Indochina have probably strengthened the convictions of party hard-liners, who decided over 20 years ago to take their struggle into the countryside.

But the situation is not without possibilities for the insurgents, especially if the government continues to neglect the problem. The success or failure of Thailand's current experiment with parliamentary democracy could be one crucial factor. A military coup against an elected government that has not had a fair chance to prove its worth might quickly radicalize large numbers of well-educated civilians and government officials who support the concept of representative government, and in this situation some of the nation's youth would see the communists as the only realistic alternative to a military regime. Such developments would provide the insurgent movement with the type of person it badly needs to attract in order to expand its membership and widen its appeal in areas that count more heavily than the outlying parts of the country where it now subsists.

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